

COASTAL CONSERVANCY

Staff Recommendation
June 30, 2004

Giacomini Ranch Conservation Easement

File No. 04-036
Project Manager: Su Corbaley

RECOMMENDED ACTION: Authorization to disburse up to \$750,000 to the Marin Agricultural Land Trust (MALT) to acquire an agricultural conservation easement over the 714-acre Giacomini Ranch.

LOCATION: The Giacomini ranch is located on the eastern side of Tomales Bay in western Marin County, along Highway 1 (Exhibit 1)

PROGRAM CATEGORY: Preservation of Agricultural Lands

EXHIBITS

- Exhibit 1: Project Location and Site Map
 - Exhibit 2: Parcel Detail Map
 - Exhibit 3: Letters of Support
 - Exhibit 4: View Panorama
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RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31150 - 31156 of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes the disbursement of an amount not to exceed seven hundred fifty thousand dollars (\$750,000) to the Marin Agricultural Land Trust for the purpose of the acquisition of an agricultural conservation easement over the Giacomini Ranch property (Marin County Assessors Parcel Nos. 119-020-22 and 119-020-23), subject to the following conditions:

1. Prior to the disbursement of any Conservancy funds for acquisition, the Marin Agricultural Land Trust shall:
 - a. Submit for review and approval of the Executive Officer of the Conservancy (the “Executive Officer”), all relevant acquisition documents, including, without limitation, appraisals, purchase agreements, conservation easements, escrow instructions and documents of title.

- b. Provide written evidence to the Executive Officer that all other funds necessary to the acquisition have been obtained.
2. The purchase price of the conservation easement shall not exceed fair market value, as established in an appraisal approved by the Executive Officer of the Conservancy.
3. The easement interest acquired under this authorization shall be managed and operated in a manner consistent with the purpose of agricultural conservation, open space preservation and natural resource protection. The property interests acquired under this authorization shall be permanently dedicated to those purposes in accordance with Public Resources Code Section 31116(b).
4. Conservancy funding shall be acknowledged by erecting and maintaining on the property a sign, the design and placement of which has been reviewed and approved by the Executive Officer.”

Staff further recommends that the Conservancy adopt the following findings:

“Based on the accompanying staff report and attached exhibits, the State Coastal Conservancy hereby finds that:

1. The proposed authorization is consistent with Chapter 4 of Division 21 of the Public Resources Code (Sections 31150 *et seq.*), regarding the Conservancy’s mandate to address the preservation of agricultural lands.
2. The proposed project is consistent with the Project Selection Criteria and Guidelines adopted by the Conservancy on January 24, 2001.
3. The Marin Agricultural Land Trust is a nonprofit organization existing under Section 501(c)(3) of the U.S. Internal Revenue Code, whose purposes, which include the preservation of land for agricultural and open space opportunities, are consistent with Division 21 of the Public Resources Code.”

PROJECT SUMMARY: The proposed authorization would result in the acquisition of an agricultural conservation easement over the 714-acre Giacomini Ranch situated on Tomales Bay in western Marin County. The property has been used for dairy ranching for 41 years. It is made up of two parcels of 364-acres and 350-acres respectively (Exhibit 2). Each is owned by one of two Giacomini brothers but operated by one. In addition to dairy operations and associated buildings, there is a full-scale cheese manufacturing plant on one of the parcels that produces a blue cheese known as “Point Reyes Original Blue Cheese”.

The sale of a conservation easement will enable one brother to secure ownership of the other’s parcel to consolidate ownership and conserve the entire 714 acres for agricultural uses, secure a viable operation for future family generations and prevent future subdivision to protect its natural resources and scenic values. In recent years similar sized agriculture properties on the east shore of Tomales Bay have been sold out of agricultural production into estate development. Both parcels that comprise the property are encumbered by a single 10-year Williamson Act contract, which requires the owners to maintain agricultural production on the property. While a Williamson Act contract does protect property from uses other than agricultural production, the

contract is voluntary and not permanent, and can be extinguished by the owner. Due to increasing economic pressures on the agricultural community in Marin County, more ranchers may find it necessary for financial reasons to sell their property.

The purchase of agricultural land for use as rural estates is one of the most pressing problems facing the agricultural sector in Marin County because it often results in increased property values, making it hard for the rancher to compete with increased lease and purchase prices, but more importantly diminishes Marin's agricultural heritage with every acre removed from production. The purchase of the conservation easement over the Giacomini Ranch will accomplish many goals: a longtime rancher will be able to consolidate family lands to maintain his business and continue to operate in an area that is highly threatened for conversion to estates; the aesthetic scenic value of western Marin along the shore of Tomales Bay will be preserved; and the natural resources and water quality of Tomales Bay will be protected from increased runoff from development.

Specific provisions of the proposed easement would limit development of the property to one residence of up to 4,000 square feet and an associated garage up to 540 square feet and prohibit subdivision of the land. The easement would also prohibit recreational off-road vehicle riding; restrict tree harvesting or removal except for use as firewood for onsite heating and to remove diseased trees for safety reasons; generally prohibit dumping of wastes, refuse, or debris, except organic matter for agricultural uses; bar practices that cause soil degradation or reduced water quality; restrict surface alteration or excavation; and prohibit permanent separation of water rights from the property. In addition, the watercourses located on the property will be protected from impacts by placing further limits on the use of those areas.

With its panoramic views of Tomales Bay and its proximity to Novato, Petaluma, Santa Rosa and San Francisco, as well as its size, the property is easily targeted for purchase by an estate buyer or developer. With MALT's purchase of the conservation easement, the property will be protected from these threats.

Site Description: The Giacomini Ranch is a dairy ranch and cheese making operation that includes two parcels. One parcel includes grazing lands, a family homestead, five worker residences, ranching outbuildings, and the cheese making operations. The other contains open grassland. The conservation easement will encompass both parcels. The cheese making operations, initiated in 1998, produces high quality "Point Reyes Original Blue Cheese" and provides supplemental income to the dairy operation.

The Giacomini Ranch is located in a rural area of west Marin on the east side of Tomales Bay, a few miles north of the town of Point Reyes Station. The property has expansive views of Tomales Bay and across to Inverness Ridge. Tomales Bay is one of California's most unspoiled natural resources, offering a wide variety of recreational and rural activities and attracting increasing numbers of people seeking to buy and establish large estates. Its location on Highway 1 makes it easily accessible to nearby urban settings of San Francisco and Santa Rosa which increases the threat for subdivision and estate development.

The property drains into Tomales Bay, long recognized by local, state, and federal agencies as deserving of a high level of protection. Many threatened and endangered species inhabit the watershed, including California freshwater shrimp, coho salmon and steelhead trout. In 1981, Tomales Bay became a part of the Gulf of Farallones National Marine Sanctuary, one of three such marine sanctuaries in the state. It supports large numbers of wintering and migrating

shorebirds, making it a significant habitat to preserve and protect from degradation. A conservation easement would prevent subdivision of the property, eliminating the threat of reduced scenic value and increased surface runoff that results from development and protect the open space of west Marin to maintain its rural setting and ranching heritage.

Project History: MALT's agricultural conservation easement program is part of an overall effort to preserve Marin County's agricultural land. Forty percent, or 120,000 acres, of Marin County's privately owned land is used for agriculture. Of the agricultural lands, approximately 29 percent, or 35,000 acres, is protected forever by agricultural conservation easements held by MALT. MALT purchased its first conservation easement in 1983, and now holds 51 agricultural conservation easements.

The Conservancy has a history of interest and involvement in protecting, restoring, and enhancing the agricultural and natural resource values of west Marin. Over the past nearly 20 years, the Conservancy has granted \$3,877,500 to MALT resulting in the protection of 6,373 acres of agricultural lands with significant habitat and natural resource protection elements.

Other west Marin County agriculture projects the Conservancy has been involved in include the 1989 Conservancy study entitled "Evaluation of Agricultural Land Trusts" in which MALT was acknowledged as a successful, competent nonprofit organization that had met all the goals required by the Conservancy's previous grants, and grants to assist with riparian corridor fencing on several ranch properties.

PROJECT FINANCING:

Coastal Conservancy	\$750,000
MALT (private donations)	<u>1,180,000</u>
Total Project Cost	\$1,930,000

The proposed funding source for the Conservancy's contribution is Proposition 40, the "California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002". Proposition 40 funds may be used for the acquisition and protection of land and water resources in accordance with the provisions of the Conservancy's enabling legislation (Public Resources Code Section 5096.650). This project is consistent with Proposition 40 in that it will preserve open space and farmland that is threatened by unplanned development from encroachment from Santa Rosa, Novato and Petaluma, and protect critical resources by reducing or controlling surface runoff to Tomales Bay. In addition, the proposed project is appropriate for Proposition 40 grant funding priority, since it includes a commitment of matching funds (Public Resources Code §5096.651).

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

The proposed project is undertaken pursuant to Chapter 4 of Division 21 of the Public Resources Code (Sections 31150-31156), which authorizes the Conservancy to undertake projects and award grants to public and private agencies and organizations for the purpose of agricultural preservation.

Consistent with §31156, the Conservancy is proposing to award a grant to MALT, a nonprofit organization whose primary purpose is the preservation of agricultural lands, which will be used to acquire an agricultural conservation easement over land located in the coastal zone of western Marin County. The easement would prevent the loss of agricultural land to other uses, such as development of estate residences. Additionally, the easement would enable a single owner to purchase the second of the two parcels in order to maintain adequate acreage for continued dairy operations.

**CONSISTENCY WITH CONSERVANCY'S
STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):**

Consistent with **Goal 10, Objective A**, the proposed project will increase the acreage of agricultural land in the nine Bay Area Counties protected by conservation easements.

**CONSISTENCY WITH CONSERVANCY'S
PROJECT SELECTION CRITERIA & GUIDELINES:**

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines adopted January 24, 2001, in the following respects:

Required Criteria

1. **Promotion of the Conservancy's statutory programs and purposes:** See the "Consistency with Conservancy's Enabling Legislation" section above.
2. **Consistency with purposes of the funding source:** See the "Project Financing" section above.
3. **Support of the public:** Assemblyman Joe Nation and Marin County Supervisor Steve Kinsey support this project. See Exhibit 3 for letters of support.
4. **Location:** The proposed easement acquisition is located in the coastal zone on Tomales Bay a few miles north of the town of Point Reyes Station.
5. **Need:** Due to its Bay Area location, the Giacomini Ranch is very attractive to non-agricultural buyers for one or two estates. The proposed agricultural easement will permanently protect the agricultural uses of this land. While MALT has a long history of successful easement acquisitions, their ability to continue the easement program is predicated on ongoing public funding, in addition to private donations. MALT and the Giacomini family have been working toward this acquisition for several years and MALT has successfully raised funds for more than half of the cost of the easement through private donations, but needs Conservancy funding to complete the acquisition.
6. **Greater-than-local interest:** A vital part of the North Bay greenbelt, agricultural land in Marin County provides open space, scenic vistas, and wildlife habitat. In addition to serving the residents of Marin County by helping to preserve the agricultural history and protecting habitat values, this project serves local area travelers and tourists that visit west Marin to enjoy its unspoiled landscape, and its incredible scenic values (see Exhibit 4). Preserving the natural resources of this site and protecting it from development furthers these values.

Additional Criteria

9. **Leverage:** See the “Project Financing” section above. The \$750,000 of Conservancy funds for the easement acquisition will be matched by \$1,180,000 in private funds.
12. **Readiness:** MALT and the Giacomini family have been working toward this acquisition for several years; Conservancy authorization of this project will enable MALT to proceed with the acquisition. It is anticipated the transaction will be completed by mid-October 2004.
13. **Realization of prior Conservancy goals:** See the “Project History” section above.
14. **Cooperation:** This project is a cooperative effort among the Conservancy, MALT, and the landowners.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES: The acquisition by MALT of a conservation easement on the Giacomini Ranch is consistent with the *County of Marin, Unit II (Northern Marin) Local Coastal Plan* (LCP). The local coastal program policies of the LCP include alternative methods of preserving agricultural land (found at Agriculture Chapter, Item 7), indicating “[T]he County strongly supports the objectives of the Marin Agricultural Land Trust to protect agricultural lands through . . . purchase . . . of conservation easements on agricultural lands.” By acquiring a conservation easement over the Giacomini Ranch, this project will achieve the above stated objectives.

COMPLIANCE WITH CEQA: Acquisition of a conservation easement over the Giacomini Ranch is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) under 14 Cal. Code of Regulations Section 15325 because it involves the transfer of ownership interests in land to preserve open space and to allow continued agricultural use of the Ranch. Staff will file a notice of exemption upon approval of the project.